

ENERGY SERVICES Bulletin

The energy and planning
resource for WAPA utilities

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WESTERN AREA POWER ADMINISTRATION



Rocky Mountain Utility Exchange encourages utilities to build bridges

Aspen Meadows Resort provides a relaxed setting for utility professionals and their allies to meet each other and discuss how they can build better customer efficiency programs. (Photo by Aspen Meadows Resort)

Admittedly, it is no great sacrifice to visit Aspen, Colorado, in the fall, but the utility industry professionals from Colorado and nearby states who are making the trip Sept. 19-21 are not coming to enjoy the scenery. They are coming for the Rocky Mountain Utility Exchange to meet their colleagues and industry allies and talk frankly about the triumphs and failures, goals and challenges of their jobs.

This unique forum has been drawing strong crowds of visionaries and idea people from energy and water utilities, nonprofits and technology vendors for 12 years, and shows no sign of slowing down.

Finding opportunity in challenge

The theme for 2018, "United we understand," emphasizes the collaborative nature of the conference, and holds one key to why it continues to grow in popularity. The theme resonates with WAPA Energy Services Manager Ron Horstman. "The past model for doing business, where utilities rarely talked amongst themselves, let alone with consumers, won't work in today's industry," he said. Horstman is on the RMUE planning committee and WAPA is a sponsor of the event.

"Consumers expect to have more choice in their services, and that includes

their electricity. Providing those options to customers creates opportunities for utilities to build and manage load and develop new products, while meeting environmental goals," Horstman went on. "But the industry is going to have to communicate with their customers, their communities, equipment vendors and other power providers to realize those opportunities."

The communication begins Wednesday morning with the Utility and Government Agency Roundtable. Representatives from those entities will share the topics they would most like to discuss and the one thing they would most like to learn during the exchange. Following a break, industry allies are free to join the discussion. This roundtable is for people who are not ready to make a formal presentation but definitely have something to talk about.

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Highlighting industry trends

The agenda shifts into high gear following lunch. Opening keynote speaker Ann Dougherty of market research firm Illume Advising will be asking utilities to look at their own marketing efforts and question whether they are positioned to innovate. This will be Dougherty's first time speaking at the RMUE.

The State of Energy Consumers Today will be presented by another newcomer, Nathan Shannon of Smart Energy Consumer Collaborative. You are leaving WAPA.gov. Shannon will draw on Smart Energy's 2017 research projects for insights into what today's consumers want and real-life examples of consumer engagement successes.

The rest of the day's presentations

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read like a laundry list of trends that have morphed into looming challenges: utility-led distributed solar programs, climate action plan development, collaborations to expand utility programs' reach and beneficial electrification. You will learn how other power providers have engaged, rather than resisted these issues to build successful programs.

Digging deeper

Thursday morning, RMUE continues with variations on a theme (working together). Sessions examine programs and initiatives that integrate customer experience and community input. Consumers are clearly no longer content to passively accept the electricity coming down their wires. Environmental concerns are pushing them to demand more options and new technology is giving them the power to take more control of their energy use. Hear from utilities and their partners that abandoned the old model of a one-way relationship to find ways to harness efficiency as a resource, manage loads more effectively and help their communities fight and mitigate climate change.

In the afternoon, the agenda splits into dual tracks, giving you the chance to delve into topics in more detail with smaller groups. See if you can identify the subtext. In the first set of tracks, you can explore either customer engagement (communicating with customers) or the technology of the internet of things (communicating with customers through smart devices). The final dual-track sessions look at energy as

a service, not a product (communicating with customers in a new way) and reaching hard-to-reach customers (communicating with customers who don't make it easy).

If you are looking for even more detail than the dual-track sessions provide, get ready for the Friday workshops. Choose from three different sessions:

- Electrifying Transportation: Developing Integrated Charging Networks for Electric Vehicles – Explore the role of utilities and government in electrifying the transportation sector.
- Customer Experiences Workshop: Journey Mapping – Customer journey mapping provides a framework that can break down departmental barriers that limit a program's potential. Each workshop participant will represent a different contributor in "our" utility during the workshop.
- Community Goals Meet Utility Realities: Developing Best Practices for an Evolving Landscape – This facilitated discussion is an opportunity for local government and utility leaders to communicate directly about understanding and advancing community renewable and energy efficiency goals.

Keep talking—to each other

As past attendees will tell you, the sessions are only half of what makes the RMUE such a great conference. Great speakers may bring in attendees, but networking opportunities and relationship building bring them back year after year.

The receptions keep conversations going after the end of the day in a casual atmosphere. The Wednesday night networking event is built around a poster session that allows you to learn more about products, services and programs that might fit into your operations. It also includes heavy hors oeuvres if you want to make a meal of it, rescue animals for the kids and this year, ice-breaker games. This is a family-friendly event and family members can attend for the friendly price of free.

Thursday night, the RMUE goes off-campus to the town of Aspen and the historic Hotel Jerome.

Every refreshment break and meal offers you a chance to ask speakers and colleagues questions, to bounce ideas off other sharp minds and to load up on high-quality calories. Breakfast, lunch and break snacks are included in the price of registration, and the food is terrific.

Details, details...

Since the food is so abundant and delicious, you may want to pack your comfortable "business casual" attire—the RMUE is a "no-tie zone." Those staying at the Aspen Meadows Resort also might want to pack their exercise gear as well, to take advantage of the onsite Aspen Health Club.

The Aspen Meadows RMUE room bloc has filled up, but overflow lodging at the Hotel Aspen and the Molly Gibson Lodge in town is still available. You can also contact Liz Pellerin at Aspen Meadows to get on a waiting list in case there are any room cancellations. ■

Utility Energy Forum calls for posters

Deadline: Sept. 21

Do you have a program success story you would like to share? Did your innovative spirit take flight, producing results others should know about? Please help us make the 2019 Utility Energy Forum a success by presenting your program during the Utility Program Stand Up Challenge!

The StandUp Challenge is a fast-paced poster session that gives speakers the opportunity to present their poster to attendees

three or four times over a 45-minute window. To have your poster considered for the StandUp Challenge, submit your proposal You are leaving WAPA.gov. no later than Friday, Sept. 21, 2018. Posters are most likely to be chosen if they focus on program results and lessons learned, are vendor agnostic, and have a utility or government author or co-author and presenter.

Other deadlines are approaching as well. Register before Nov. 30, 2018, to receive your Early Bird Discount, and make sure you submit your application for the Jim Brands Memorial Scholarship by Jan. 11, 2019. ■

"Utility Recipes for Meeting Customer Needs" is the theme for this year's UEF. It is being held April 24-26 at the Cambria Pines Lodge in Cambria, California.

ACEEE report: Energy efficiency helps rural ratepayers

It is no secret that rural communities continue to struggle, even in the strong economy, or that they frequently get overlooked when assistance programs are being planned.

According to a recent report by the American Council for an Energy-Efficient Economy, rural residents spend an average of 4.4 percent of their income on energy bills—energy burden—compared to the 3.3 percent national average. Low-income households, including the elderly, renters and residents of manufactured and multifamily housing, have an energy burden nearly three times that of higher income households.

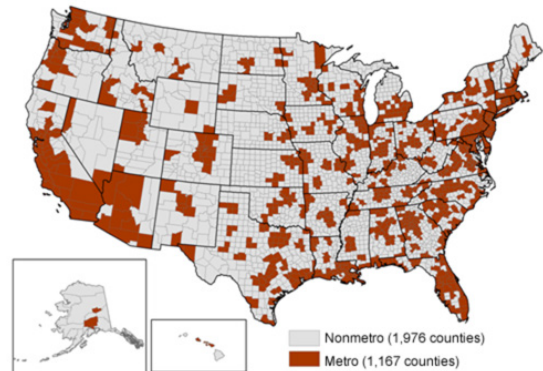
The High Cost of Energy in Rural America: Household Energy Burdens and Opportunities for Energy Efficiency focuses on energy costs related to the physical housing structure.

The report concludes with program options to address energy affordability, and details challenges and opportunities related to serving rural households with energy efficiency.

Life-changing programs

Factors that contribute to energy burden include the physical condition of a home, a household's ability to invest in energy-efficiency improvements and the availability of efficiency programs and incentives that put energy-saving technologies within reach. Energy-efficiency and home weatherization programs can greatly reduce this burden and make energy bills affordable. Rural utilities can help by offering these types of programs and partnering with local and regional organizations to increase their reach.

Aiken Electric Cooperative's Help My House on-bill program, highlighted in the ACEEE video "Rural Energy Burden," demonstrates how utility programs can make a difference in low-income customers' lives. Participants have been able to slash their electricity bills nearly in half by getting their homes weatherized through Aiken's program. That is money homeowners can now use to pay for day-to-day necessities.



Source: USDA, Economic Research Service using data from the U.S. Census Bureau.

Learn more

A second report will be released by ACEEE this fall exploring lessons learned from rural program leaders across the country. In October, ACEEE is holding its first Rural Energy Conference in Atlanta, Georgia, to examine how energy-efficiency technologies and programs can help rural America revitalize its economy. Industry, utility, cooperative, nonprofit, academia and government representatives will be discussing how to improve and expand efficiency programs that serve rural communities. ■

WAPA phases out Equipment Loan Program

Based on a recent evaluation by WAPA's Assessment Team, Energy Services is sunsetting its popular Equipment Loan Program. The Assessment Team, which was established in 2017, has been studying WAPA programs and initiatives to ensure that they support WAPA's mission and bring value to the customer. The evaluation concluded that the program had successfully accomplished its original objective of giving power customers the opportunity to test out expensive diagnostic tools that might help them with planning, operations and maintenance.

WAPA launched the Equipment Loan Program more than 30 years ago when diagnostic tools were often large, cumbersome and expensive. The price of an infrared camera, for example, used to run to several thousand dollars for a basic model. Now you can pick up a pocket-sized camera at Home Depot for a little more than \$200. There are even apps you can download to take IR pictures with your cellphone. Likewise,

anemometers and weather stations have come down in price so that entities on a tight budget—schools, small municipal utilities—can afford to purchase their own.

Keeping pace with the latest technology has also become a problem for the Equipment Loan Program. The technology behind the tools used to change more



Diagnostic tools like the Sense Home Energy 3300 power monitor have become less expensive, more accurate and easier to handle than the monitors of even 10 years ago.

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slowly, so the program could provide customers with state-of-the-art equipment, or close to it. Today, a new and genuinely improved model seems to come out every couple of years. Even with more affordable prices, updating the tool library becomes an expensive proposition. At the same time, customers often can buy the latest version of a particular tool without denting their own budgets.

These changes in the marketplace have led to a sharp drop in the number of customers using the Equipment Loan Program. At the same time, many of the tools have become outdated. Were the

program to continue, bringing the library up to date would be costly. The decision to end the program saves about \$177,000 annually—funds that can be directed toward efforts that offer customers greater value.

All of the existing loan requests have been filled and we are in the process of retrieving the equipment so it can be disposed of as federal law requires.

Going forward, WAPA customers will have to make other arrangements for their equipment needs. However, most of the diagnostic tools in the Equipment Loan Program library are readily available from local vendors for rental or purchase. Also,

you can contact your regional Energy Services representative for suggestions on where to find tools.

Your support of the Equipment Loan Program over the years has made it a highlight of Energy Services. It has allowed us to meet our customers, learn about your unique operations and find solutions that improve safety, efficiency and occasionally your bottom line. As hard as it is to say goodbye to the Equipment Loan Program, we consider it a success to retire a program that has served its purpose and met your needs. ■

RMI publishes report on consumer-centered home energy services

According to the Rocky Mountain Institute, a large gap exists between consumers' interest in home performance and their actual investments in home efficiency improvements. Utilities have a tremendous opportunity to develop a new line of services, and RMI's recent report, *The Consumer Connection: A Consumer-Centric Approach to Delivering Home Energy Services*, tells power providers how to unlock this market.

RMI researchers found a clear path that consumers follow from being interested in technology to purchasing it for their home. The report helps contractors, utilities and energy auditors understand the pathway and recognize how and when to engage customers, and who is the best messenger for the information. The report also explores the financing options that are most likely to spur residential customers to adopt energy efficiency upgrades.

The basis of the report is a survey RMI's Residential Energy+ team conducted with 1,210 homeowners from all 50 U.S. states. In addition to learning what types of messengers, financing and timing make most sense to consumers, the team also

uncovered other important findings around financing, what customers are willing to pay and what the main motivations are for energy upgrades.

Utility program managers will recognize the triggers that drive home energy upgrades—a new home purchase, a renovation done to sell a home or broken equipment—but the key takeaway is that consumers buy a product when they want it, not when the provider wants to sell it. The study also emphasizes that consumers do not necessarily want to speak to every stakeholder at each step of the process.

Learning which stakeholder is best suited to convey information can be an



important marketing tool for service providers. Stakeholders should focus on what they do best and build partnerships with other stakeholders to fill in the gaps and provide consumers with a seamless selection and installation process.

In today's utility landscape, power providers need a variety of strategies to maintain strong customer relationships and build an environment of trust and collaboration. A customer-centric program that increases homeowners' investment in energy-efficiency improvements could contribute much to that goal, while supporting utilities' load management plans. ■

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